

Arkansas, Inc.

News for Arkansas Corporations from Secretary of State Charlie Daniels

Volume 3, Issue 1 ♦ March 2006

www.sos.arkansas.gov

BCS Advisory Council holds first meeting

The Arkansas Secretary of State's Business and Commercial Services Advisory Council held its first meeting Tuesday, January 17, discussing functions of the BCS division and how it can better serve Arkansas' business community.

The Advisory Council consists of 20 individuals representing businesses, service companies and government. The council members are Harry Hamlin, Bryan Duke, Biff Morgan, Mary Ellen Richards, Bob Roberts and Terry Mercing, all of Little Rock, James Landers of Camden, David James of Texarkana and Greg Brown of Benton. It also includes Ronnie Dedman, Phillip Quick, and Janet Grard of Little Rock, Bill Ramsey of Fayetteville, Rep. Bruce Maloch of Magnolia, Sen. Steve Faris of Malvern, circuit clerks Karan Skarda of Prairie County, Doug Kidd of Saline County and Debbie Wise of Randolph County, and the Rev. Thurston Lamb of North Little Rock and Jimmie Don McKissack of Pine Bluff.

Secretary of State Charlie Daniels said each of those individuals provides

a different perspective to issues the BCS division faces. "We will utilize their input, based on the needs and strengths they see daily, to help our Business and Commercial Services division grow to better serve all of Arkansas," he said.

The meeting acquainted the Council members with the functions of the Business and Commercial Services division. The division collects franchise taxes, commissions notaries public, registers trademarks and handles incorporation of businesses and UCC claims. Combined services of the division yielded over \$22 million during 2005, divided between the general fund and the Arkansas Educational Adequacy Trust Fund.

Council members will be accessible to their communities and were encouraged to forward input and suggestions to the Secretary of State's office for evaluation and implementation. Daniels told the Council, "We won't present anything for proposed legislation that hasn't been through this council."



Secretary of State Charlie Daniels

We have gotten off to a running start in 2006. In January the BCS Advisory Council held its first meeting to acquaint members with the various services offered in the Business and Commercial Services Division, and with accomplishments, future goals and objectives. Groundwork was laid so council members can provide input on ways to further enhance BCS services. This is the way it should be: community and government working together for a common cause.

We continue to reach milestones in our quest for better services to the citizens of Arkansas. The free Notary Seminars have grown to a level of averaging two to three seminars a month across Arkansas in addition to the two courses offered monthly in Little Rock. The office also conducts seminars on-location by request. We are now scheduling seminars in the larger cities across Arkansas during the second quarter of 2006.

(See **LETTER** on page 2)



Members of the Business and Commercial Services Advisory Board discuss legislation the Secretary of State's office proposed during the 2005 legislative session.

Business and Commercial Services



Frequently Asked Questions

Q. Can I reinstate a company once it has been dissolved?

A. Yes. This must be filed within 120 days of the dissolution. The filing fee for reinstating is \$150.

Q. Do companies registered with the state of Arkansas pay annual taxes when they file an annual report?

A. Yes. Companies registered as domestic and foreign companies (excluding not-for-profits and LPs) will pay and file an annual report.

Q. Will I be mailed an annual report form to complete?

A. A reporting form is sent usually around the middle of January. If no report has been received, a reporting form can be filed online, or the necessary report can be downloaded from our website, www.sos.arkansas.gov.

Q. How long does a fictitious name registration last?

A. Names registered as fictitious have no expiration date.

Q. How do I change information filed in the original articles?

A. An amendment must be filed to change information in the original articles.

Q. Is it necessary to reserve a name prior to filing the articles?

A. A name reservation holds a name for 120 days. If you plan on forming the company soon, there is generally no need to reserve the name.

Q. I filed a company online and received a Transaction ID Number. Does this mean my company is formed?

A. No. The Transaction ID Number only proves the payment was accepted with the information network. Official proof of filing will be mailed.

Q. Where do I get forms needed for filing in the Business and Commercial Services office?

A. Almost all forms needed for this office can be found on our website and filed online.

Q. What is a registered agent?

A. This is the person designated as service of process agent for the company, which means they accept the correspondence on behalf of the company. The agent must have a physical address in the state of Arkansas.

Have a question? Email us: Business and Commercial Services at corporations@sos.arkansas.gov.

UCC begins use of Knowledge-Base system

The Arkansas Secretary of State's Business and Commercial Services division is implementing the first step of its new operating system, SOSKB.

This software, Secretary of State Knowledge-Base, was first developed by the state of North Carolina and was specified as shareware. North Carolina's state government mandated that other states be permitted to adopt the software at no charge and tailor it to their specific needs by contract.

The Arkansas Secretary of State's office contracted with Office Automation Solutions (OAS) to incorporate SOSKB into operations of the Business and Commercial Services division. This project has required extensive coordination between the Secretary of State's office, the Information Network of Arkansas and OAS.

The UCC section of the Business and Commercial Services division is the first to "go live" with SOSKB. Corporate services will be added in succession over the next 12 to 18 months.

The entire BCS staff will be cross-trained to conduct operations in each area of BCS business, mitigating the current division between corporate and commercial services.

Reminder:
Franchise taxes must be paid by May 1.
Reports have been mailed, and forms are available online at
www.sos.arkansas.gov.

LETTER, continued from page 1

The schedule of appearances is inside this issue.

Franchise tax filings for 2006 are well underway, and we expect to exceed last year's record of almost \$19 million in collections. Funds from franchise taxes go into the general fund and the Arkansas Educational Adequacy Fund, both of which benefit the entire state.

This newsletter is designed to keep you informed of the latest developments in the Business and Commercial Services Division. You will find numerous articles of interest inside. Please do not hesitate to let me know if you have topics you'd like to see covered here.

As always, if my staff or I can be of service, I hope you won't hesitate to contact us.

NOTARY CORNER



Changes in the Arkansas notary law passed by the 2005 Arkansas General Assembly became effective on January 1, 2006. The

changes (Act 2274 of 2005) can be found in the Arkansas code, A.C.A. 21-14-101 et. seq.

Some of the modifications were technical in nature and do not significantly affect the day-to-day activity of notaries. However, the changes outlined in this article will impact new notaries public as well as current notaries that are planning to renew their commissions.

The biggest changes include:

The issuance of a notary commission number.

The requirement to keep your residential address up-to-date with the Secretary of State's office, and

The change in the oath or declaration taken by new notaries.

As mentioned above all of the following changes became effective January 1, 2006.

Commission Number

The Secretary of State's office will issue a commission number to all notaries. This number must appear on the notary public's official seal. The requirement to have the number on

the notary seal only applies to new and renewing notaries public this year. As current commissions expire, all notaries will be issued a number when they renew their commission. Current notaries will not be required to add the number to their seal nor be required to purchase a new seal.

The commission number will allow the Secretary of State's office to more efficiently identify notaries and will allow the cancellation of a specially numbered seal if it is lost or stolen. In such cases a new commission number will be issued to replace the cancelled number.

Current notaries that wish to obtain their commission number prior to its expiration should contact our Business and Commercial Services (BCS) office. The commission number along with a new notary identification card will be mailed to them. The new commission numbers and identification cards should be available in March 2006.

Change of Address

Notaries public are now required to notify the BCS office of any change to their residential addresses. This notification should be made within 30 days of the change. Change of address forms can be obtained on the Secretary of State's website, www.sos.arkansas.gov or by calling 501-682-3409 or emailing the office at corporations@sos.arkansas.gov. If you are unsure of the address we have on file for you, please call or check our web site.

Notaries public should also notify their circuit clerk with address changes. If the address change includes a change in county, the

notary's commission and bond will need to be transferred to the new county of residence.

Oath of Office

The wording for the oath or declaration that the notary must take when he or she receives the commission now appears in the Arkansas code, and contains the following statement, "...I have carefully read the notary laws of this state..." Copies of the notary law can be found on the Secretary of State's web site as well as in the new Arkansas Notary Handbook, available free of charge from the Secretary of State's office.

Other changes that are less likely to significantly impact notaries include:

- 1) The clarification of the effective date of a notary public's commission as the date the commission is issued by the Secretary of State's office, and
- 2) Changing the authority to approve the surety bond or contract from the circuit clerk to the secretary of state.

Notary Seminars

The Secretary of State's office, through the Business and Commercial Services Division, is currently offering free seminars to prospective and current notaries. Sessions are held every second Wednesday of the month in our offices at the Victory Building in Little Rock. Seminars can be scheduled for groups of 10 or more anywhere in the state. All seminar participants must contact our office for reservations. All seminars conducted by the office are free of charge.

BCS staff will provide training, demonstrations of batch filing

With franchise tax season at its peak, the Business and Commercial Services Division reminds customers of batch filing. Batch filing is an online process allowing faster payment of franchise taxes. It provides immediate proof of payment with a downloadable

confirmation form, and saves time and postage. Franchise taxes for 2005 are due by May 1, 2006, and can be paid online at www.sos.arkansas.gov.

Staff from the Business and Commercial Services division will conduct on-site presentations and

a demonstration and walk-through for any participant who chooses this option.

To schedule a presentation, or if you have questions about batch filing, call 501-682-5282.

May 1 is franchise tax deadline

Franchise Tax season is here again. Payments of Franchise Taxes are due for Arkansas corporations May 1. This year the Secretary of State and the Information Network of Arkansas, the state's website portal provider, will waive fees for online batch filers.

Corporations who may only need to file single taxes online will not need

an INA subscription, but will be assessed an INA convenience fee for each filing. The fee schedule is available on our website, www.sos.arkansas.gov.

Franchise Tax forms are also available online. Arkansas law now allows tax preparers to sign franchise tax forms for clients.

Need a speaker for your next meeting?

Contact

**Secretary of State
Business & Commercial Services
(501) 682-3409**

Notary seminars scheduled across Arkansas

The staff of the Arkansas Secretary of State's Business and Commercial Services division is expanding its notary public education seminars across Arkansas.

When BCS began holding the seminars in August 2005 in the Victory Building offices, response was immediate – and enthusiastic. Many people, though, cannot take a full day away from their jobs to travel to and from Little Rock, so the staff began offering on-site training to groups of 10 or more current or potential notaries.

Now, we're taking that to the next level. We have booked seminars in several of Arkansas' larger cities and are opening those to the public in our on-going effort

to better educate notaries about new laws and other issues affecting them.

During spring 2006, we will hold nine special seminars as follows:

March 23 Fayetteville
March 29 Jonesboro
March 30 West Memphis
April 18 Hot Springs
April 26 Fort Smith
May 3 Searcy
May 10 Texarkana
May 18 Bentonville
May 24 Pine Bluff

We encourage all notaries to take advantage of these free seminars. To register for any seminar, please call 501-682-5282, 501-682-5165, or 888-233-0325.



1401 West Capitol, Suite 250
Little Rock, AR 72201-1094
www.sos.arkansas.gov
(501) 682-3409

3.2006

**Presort Standard
U.S. Postage
PAID
Little Rock, AR 72201
Permit No. 2855**

If you wish to receive future issues of *Arkansas, Inc.* electronically, send an e-mail to arsos@sos.arkansas.gov. Please use the subject line "Subscribe BCS" and provide a contact name and number for your business.